

EMPLOYMENT AGREEMENT

This Employment Agreement made this 10th day of December 2006, by and between the Board of Trustees of Mercer County Community College, a body corporate of the State of New Jersey, established pursuant to Article 1 of Chapter 64A of Title 18A of the revised statutes of New Jersey, as amended, having its principal place of business at 1200 Old Trenton Road, Township of West Windsor, County of Mercer and State of New Jersey ("Board") and Dr. Patricia C. Donohue, of [REDACTED] 18612 ("President").

WHEREAS, the Board desires to employ Dr. Patricia C. Donohue as President of the College and Dr. Patricia C. Donohue desires to be so employed by the College; and

WHEREAS, the parties hereto desire to enter into this Employment Agreement providing for the President's employment with the College on the terms and conditions hereinafter set forth; and

WHEREAS, the Board acting as a Board, has authorized the Chairman of the Board, Anthony Cimino, to execute this Agreement on its behalf,

NOW, THEREFORE, intending to be legally bound hereby, the parties hereto agree as follows:

1. **EMPLOYMENT AND TERM**

1.1 The Board agrees to employ the President and the President agrees to tender her services to the College for a period of three (3) years (the "Employment Period")

commencing on February 1, 2007 through and including January 31, 2010, unless terminated as herein provided in Section 5.

1.2 The Board shall provide written notice to the President no later than January 1, 2009 as to its intent to extend this Agreement. The failure of the Board to provide such notice will act as an automatic two (2) year extension of this Agreement ("Renewal Employment Period"). The terms of employment for the Renewal Employment Period shall be identical to those for the Employment Period, provided that the parties shall have mutually agreed to a new Base Salary and array of benefits.

1.3 The President shall provide at least one year's written notice if she does not intend to renew or extend the Agreement as set forth in Section 1.2.

2. **POWERS, DUTIES AND RESPONSIBILITIES**

2.1 *Governance.* The Board shall operate at the policy level and shall delegate to the President the authority of the internal management of the institution. The President will provide the Board with appropriate information, in a timely manner, in order that the Board may promulgate policy. The President, as Chief Executive Officer, is responsible for executing policies and implementing identified goals through the day-to-day management of the College.

2.2 *Time and Effort.* Except as provided in Section 3.12, the President shall diligently and conscientiously devote her full-time attention and best efforts to the faithful services and duties to the College in accordance with all applicable rules, regulations and policies of the College. During the Employment Period and any Renewal Employment Period,

the President agrees to discharge all duties as President of the College including performance of all executive and administrative duties, functions and responsibilities for the College as are customarily performed and rendered by a Community College President or as may be provided in the By-Laws of the College or as the Board of Trustees of the College may from time to time determine and direct, so long as those duties, functions and responsibilities are not inconsistent with those generally associated with the position entitled President of the College.

2.3 *Other Duties.* The President's duties include, but are not limited to, (1) provide leadership for academic excellence; (2) administer the instruction, student services and business and fiscal affairs of the College; (3) periodically direct the review of College policies; (4) promote and endeavor to maintain a positive College image in the community; (5) establish and maintain sound working relationships with other governmental agencies; (6) endeavor to maintain and improve professional competence; (7) serve as the Board's designated representative with respect to all matters concerning employer-employee matters; (8) annually evaluate administrative employees reporting directly to the President and participate in the evaluation of the remaining employees in accordance with College procedures; (9) manage and control College property and enter into contracts on behalf of the College as authorized by the Board.

2.4 *Accountability.* The President, as Chief Executive Officer, is accountable to the Board acting as a body. Decisions of the Board acting as a body are binding upon the President except instances when the Board, acting as a body, delegates appropriate functions to the Board Chair or a committee of the Board.

2.5 *Political Contributions or Attendance at Political Functions.* In order to preserve the non-partisan nature and role of the President and the College, the President shall not make any political contributions to any party, candidate or committee or attend any political fund-raising event for any candidate, party or committee.

2.6 *Medical Examination.* Prior to execution of this agreement, the President agrees to undergo a comprehensive physical and mental health examination by a licensed, qualified physician, approved by the president and Board or as designated by the Board and paid for by the College. The President hereby authorizes the physician to send a general report of the examination to the Chair of the Board containing only matters which may affect the President's ability to continue to perform her duties as President. The Chair shall have the right to distribute copies of the report to Board members only if there is anything in the report that indicates a condition that may affect the President's ability to perform the duties of President. The report will be held confidential by the Board except to the extent it is necessary to disclose information relevant to any proposed action by the Board arising from information in the report. If, based on the results of the physical and mental health examination, the Board, acting as a Board, determines in a closed meeting that there is sufficient evidence to believe that the President may be suffering from a medical or mental health condition that jeopardizes the President's ability to perform the duties of the position, then the President and Board shall meet in a closed meeting to discuss the President's medical condition. The Chair of the Board, with the President's approval, may request additional information on both the physical and mental health examination to clarify or amplify information of concern contained in the general report.

3. COMPENSATION

3.1 The College agrees to pay the President, and the President agrees to accept from the College, as her base compensation for services hereunder an annual base salary ("Base Salary") of One Hundred Fifty Thousand and 00/100 (\$150,000) Dollars payable bi-weekly. The Base Salary for the year commencing February 1, 2008 to January 31, 2009 shall be One Hundred Fifty Six Thousand and 00/100 (\$156,000) Dollars payable bi-weekly. The Base Salary for the year commencing February 1, 2009 to January 31, 2010 shall be One Hundred Sixty-Two Thousand, Two Hundred Forty and 00/100 (\$162,240) Dollars payable bi-weekly. Nothing in this Agreement shall prohibit the Board from granting a higher salary increase upon outstanding performance.

3.2 *Retirement Benefit.* In addition to the aforesaid base salary, the College agrees to contribute to the Teachers Insurance Annuity Association / College Retirement Equity Fund (TIAA/CREF) a supplemental amount equal to thirteen (13%) percent of the annual base salary payable under this Agreement to the President for each year that this contract is in effect to purchase an annuity in addition to the TIAA/CREF annuity which will be purchased by contributions by the President and the State of New Jersey pursuant to the revised statutes of New Jersey, 18A:66-167, as amended. The President shall be solely responsible for any and all state and federal tax obligations arising from these benefits.

3.3 *Housing.* The College shall pay to the President an annual housing allowance of Twenty-Four Thousand and 00/100 (\$24,000) Dollars payable in the amount of Two Thousand and 00/100 (\$2,000) Dollars monthly. The allowance shall only be for housing located in Mercer County, New Jersey.

3.4 *Relocation Expenses.* The College agrees to pay the moving expenses of the President caused by the relocation of her current residence at 40 Elmcrest Drive, Dallas Pennsylvania, to Mercer County, New Jersey. The College shall obtain written cost estimates for such relocation from three (3) reputable moving companies choosing one company for the move. The President shall also receive a stipend not to exceed Five Thousand (\$5,000.00) Dollars for any additional expenses incurred by her relocation to Mercer County, New Jersey.

3.5 *Automobile.* The College shall pay to the President an annual automobile allowance of Nine Thousand, Six Hundred and 00/1000 (\$9,600) payable in the amount of Eight Hundred and 00/100 (\$800) Dollars a month. The President agrees to be responsible for any and all income taxes associated with the personal use of the automobile under the Internal Revenue Code and its regulations, as amended. The President shall be responsible for the payment of all expenses of the vehicle including title, tax, insurance and maintenance.

3.6 *General Benefits.* All provisions regarding vacations, sabbatical, longevity and fringe benefits and insurance provisions included within the Personnel Policies for Administrative and Professional Staff Exempt from the Mercer County Community College Professional Staff Association are applicable to the President, with the exception that the President may accumulate and carryover from year to year twice the amount of vacation leave allowable under College personnel policy for administrative and professional exempt staff. Any request by the President to take more than twenty-one (21) consecutive days of vacation leave must be approved by the Board of Trustees, unless the request is made at the end of the President's term. Any future modification of the fringe benefits policy approved by the Board shall be applicable to the President. The parties have agreed to prepare an addendum to this Paragraph which will set forth the College's obligation to obtain interim long term disability

coverage which would be effective from the date of the President's employment with the College terminating on the date the President becomes eligible for participation in the College's existing long term disability plan.

3.7 *Reimbursement for Business Expenses.* The College agrees that it will reimburse the President for actual and reasonable business expenses, including among other things, travel, lodging and entertainment expenses incurred by her during the period of this Agreement in connection with the performance of services hereunder and accounted for to the College in accordance with the applicable tax laws reflected in the Internal Revenue Code and regulations as amended, and the College's policy relating to the substantiation of expenses for its employees. All requests for payments are to be submitted to the Vice-President for Administration and Chief Business Officer.

3.8 *Credit Card.* The College shall provide the President, the use of a credit card for business-related expenses as described in Section 3.7 above. The President, on a monthly basis, shall submit the entire card statement for review and payment pursuant to the applicable policies and procedures of the College. All requests for payments are to be submitted to the Vice-President for Administration and Chief Business Officer.

3.9 *Reimbursement for Professional and Private Organizations.* The College shall pay on the President's behalf or reimburse any appropriate membership dues, fees or assessments of professional and private organizations incurred for business use in the exercise of the President's duties. This provision shall not include reimbursement for social or country club memberships.

3.10 *Life Insurance.* In addition to the life insurance benefits provided other employees of the College, during the term of this Agreement the Board shall cover the President under a term life insurance policy in the amount of one and one-half times the salary of the President payable to a designated beneficiary chosen by the President.

3.11 *Professional Meetings.* The President may attend professional meetings at local, state, national and international levels. Reasonable expenses so incurred shall be reimbursed by the College. The President shall provide the Board with a semiannual summary report of non-local travels to professional meetings.

3.12 *Outside Professional Activities.* The President may undertake professional activities including consulting, speaking and writing, provided these activities are consistent with the President's duties. Such activities shall not exceed ten (10) days of a calendar year and must be approved by the Chair of the Board prior to being undertaken. The President shall issue a semiannual report to the Board listing any consultancies or Boards for which compensation was provided. The President may, and is encouraged to, serve on Boards of private, publicly held, or nonprofit corporations, subject to the Board's Conflict of Interest policy. Any activities, if they result in payment to the President and have no bearing on (or benefit to) the College, shall be at the President's own time and expense.

4. **PERFORMANCE REVIEWS**

4.1 In order to ensure ongoing communication between the President and the Board concerning the President's objectives and job responsibilities as well as to achieve a mutual understanding between the parties concerning the accomplishments of such objectives and responsibilities, there shall be an annual written review of the President's performance,

which shall include a meeting with the President and the Board for the sole purpose of reviewing such objectives and responsibilities. Such annual reviews shall include prioritizing job objectives and establishing timetables and resources for completion of such objectives. Said annual review shall take place prior to the Board's Reorganization Meeting. The Board shall establish a schedule and evaluation instrument for the review of the President and which shall allow the President sufficient time to prepare a report of accomplishments and progress made toward attaining the performance objectives and satisfying the duties and responsibilities of the office. The report must be given to the Board of Trustees thirty (30) days before said review. The annual evaluation shall also include the discussion and negotiation of incentive compensation, raise or bonuses, if any, in addition to the aforesaid Base Salary of the President.

5. **TERMINATION**

5.1 *Death.* In the event that the President shall die during the Employment Period or any Renewal Employment Period thereafter, this Agreement shall terminate.

5.2 *Disability.* In the event that during the Employment Period or any Renewal Employment Period thereafter, the President shall become physically or mentally disabled, either totally or partially, so that she is unable notwithstanding reasonable accommodation made by the College, to substantially perform her service under this Agreement for: (1) a period of six consecutive months or (2) for shorter periods aggregating 180 days during a twelve month period, the College may, at any time after the last day of the six (6) consecutive months of disability or the day on which the shorter period of disability shall have equaled an aggregate of 180 days, on written notice to the President, terminate this Agreement.


5.3. *Cause.* Except as provided in Section 5.2 the Board shall not discharge the President nor terminate this Agreement at any time during the Employment period or any renewal Employment except for "cause," which shall be defined as the failure of the President to comply with the terms, duties, responsibilities and conditions of all the applicable laws and/or statutes of the State of New Jersey and its relevant, legal subjurisdiction (e.g. county and local governments) and the rules, regulations and By-laws of the College. "Cause" shall also be defined to include the conviction of the President for any offense deemed a crime. The determination of "cause" shall be in the absolute discretion of the Board of Trustees. Upon a determination for "cause" under this Agreement, all obligations of the College shall cease on such date of termination. In the event that the Board claims that "cause" exists to terminate the President prior to the expiration of this Agreement, the Board shall provide the President with a written statement of its intent to discharge and the reasons for discharge. Before the Board makes a final decision, the President is entitled to meeting with the Board in open or closed session, within thirty (30) calendar days of the issuance of the written statement. The President may be represented by legal counsel at the President's expense and may present any evidence to the Board to rebut the stated reasons for discharge. After the President has had an opportunity to respond to the stated reasons for discharge, the Board, acting as a Board, will make a final decision in writing.

5.4 *Termination Pay.* In the event of a termination pursuant to Section 5.3, the College shall be obligated to pay the President only the compensation and other fringe benefits due her as of the effective date of termination.

6. **NOTICES**

6.1 Any and all notices required or permitted to be given under this Agreement shall be in writing and shall be deemed to be duly given when delivered by hand and when deposited in the United States Mail by registered or certified mail, return receipt requested, postage prepaid, as follows:

A. Attention: Chairperson, Board of Trustees
Mercer County Community College
1200 Old Trenton Road
West Windsor, New Jersey 08550

B. Dr. Patricia C. Donohue


or such other addresses as any party hereto may give written notice to the other party.

7. **SEVERABILITY**

7.1 The invalidity of any one or more of the words, phrases, sentences, clauses or sections contained in this Agreement shall not effect the enforceability of the remaining portions of this Agreement or any part, all of which are inserted conditionally on their being valid in law, and, in the event that any one or more words, phrases, sentences, clause or sections in this Agreement shall be declared invalid by any court of competent jurisdiction, this Agreement shall be construed as if such invalid word, phrase, sentence, clause or section had not been inserted.

8. **BENEFITS AND OBLIGATIONS**

8.1 This Agreement shall be binding and inure to the benefit of and be enforced by and against the parties hereto and their respective successors and assigns. Nothing in this Agreement shall be deemed to create or imply any rights or benefit in any person not a party hereto other than the successors and assigns of a party.

9. **ASSIGNABILITY**

9.1 This Agreement shall not be assignable by the President. This Agreement shall inure to the benefit of and be enforceable by the College, its Board of Trustees and any successors or assigns of the College or Board.

10. **WAIVERS**

10.1 The waiver by a party of a breach or violation of any provision of this Agreement shall not operate nor be construed as a waiver by such party of any subsequent breach or violation.

11. **SECTION HEADINGS**

11.1 The section headings contained in this Agreement are for reference purposes only and shall not effect in any way the meaning or interpretation of this Agreement.

12. **GOVERNING LAW**

12.1 This Agreement shall be interpreted, construed and governed according to the laws of the State of New Jersey.

13. **ARBITRATION**

13.1 All claims, disputes and other matters in question between the Board or President arising out of or relating to this Agreement or the performance or breach hereof, shall be submitted to and decided by binding arbitration in accordance with the Rules of the American Arbitration Association currently in effect unless the parties mutually agree otherwise.

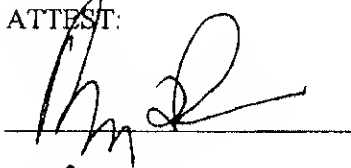
14. **COUNTERPARTS**

14.1 This Agreement may be signed in multiple counterparts and all such counterparts shall collectively constitute an original Agreement, which may be evidence by any one counterpart. This Agreement constitutes the entire understanding of the parties hereto with respect to President's employment and her compensation therefor. No modification, amendment or waiver of any of the provisions of this Agreement shall be effective unless in writing and signed by both parties hereto.

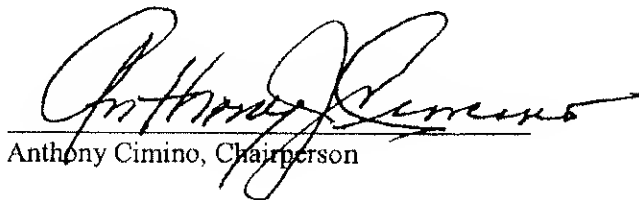
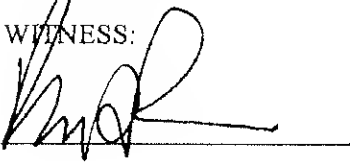
IN WITNESS WHEREOF, the parties have duly executed and delivered this Employment Agreement as of the day and year first above written.

MERCER COUNTY COMMUNITY COLLEGE
BOARD OF TRUSTEES

ATTEST:



WITNESS:

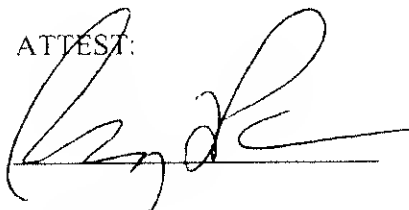

Anthony Cimino, Chairperson
Dr. Patricia C. Donohue

ADDENDUM TO CONTRACT

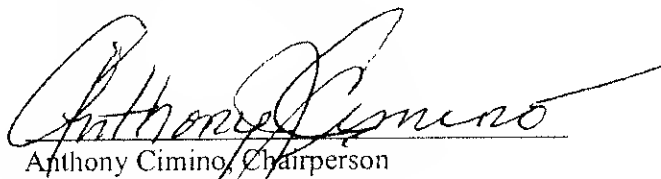
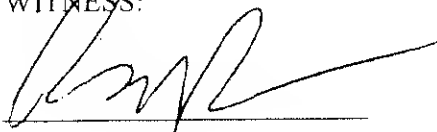
3.6 The parties agree that the College will purchase interim long term disability coverage that commences from the date of employment to the date the President is eligible to participate in the College's long term disability plan (which date is one (1) year after the President's date of employment). After the President becomes eligible to participate in the College's long term disability plan, the interim policy purchased by the College will be immediately discontinued. The President agrees to provide all necessary information (including prior medical history) to assist the College in obtaining the interim long term disability coverage.

MERCER COUNTY COMMUNITY COLLEGE
BOARD OF TRUSTEES

ATTEST:

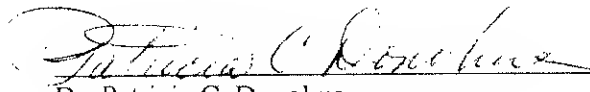


WITNESS:



Anthony Cimino, Chairperson

Date: 2/15/07



Dr. Patricia C. Donohue

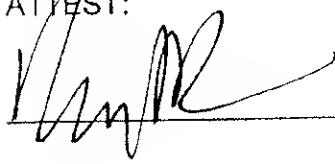
Date: 2/15/07

SECOND ADDENDUM TO CONTRACT


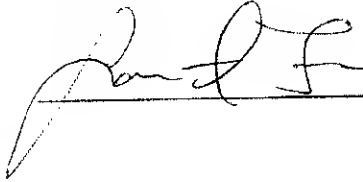
3.6 It is the intent of this paragraph that the President shall be allowed twenty-one (21) vacation days, regardless of the amount of days included in the Contract with the Mercer County Community College Professional Staff Association.

MERCER COUNTY COMMUNITY COLLEGE
BOARD OF TRUSTEES

ATTEST:


Anthony Cimino, Chairperson
Date:

WITNESS:


Dr. Patricia C. Donohue
Date: 4/26/07

THIRD ADDENDUM TO CONTRACT

1.1 The Board agrees to employ the President and the President agrees to tender her services to the College for a period of two (2) years (the "Employment Period") commencing on February 1, 2010 through and including January 31, 2012, unless terminated as herein provided in Section 5.

1.2 The Board shall provide written notice to the President no later than January 1, 2011 as to its intent to extend this Agreement. The failure of the Board to provide such notice will act as an automatic one (1) year extension of this Agreement ("Renewal Employment Period"). The terms of employment for the Renewal Employment Period shall be identical to those for the employment period, provided that the parties shall have mutually agreed to a new base salary and array of benefits.

3.1 The College agrees to pay the President, and the President agrees to accept from the College, as her base compensation for services hereunder an annual base salary ("Base Salary") of One Hundred Sixty-Eight Thousand Three Hundred Twenty-Four and 00/100 (\$168,324) Dollars payable bi-weekly for the year commencing February 1, 2010 to January 31, 2011. The Base Salary for the year commencing February 1, 2011 to January 31, 2012 shall be One Hundred Seventy-Four Thousand Six Hundred Thirty-Six and 00/100 (\$174,636) Dollars payable bi-weekly.

3.2 *Retirement Benefit.* In addition to the aforesaid base salary, the College agrees to contribute to the Teachers Insurance Annuity Association / College Retirement Equity Fund (TIAA/CREF) a supplemental amount as set forth herein to the President for each year that this contract is in effect in addition to the TIAA/CREF contributions made by the President and the State of New Jersey pursuant to the revised statutes of New Jersey, 18A:66-167, as amended.

The supplemental amount for the year commencing February 1, 2010 to January 31, 2011 shall be equal to fourteen (14%) percent of the annual base salary payable under this Agreement. The supplemental amount for the year commencing February 1, 2011 to January 31, 2012 shall be equal to fifteen (15%) percent of the annual base salary payable under this Agreement. The President shall be solely responsible for any and all state and federal tax obligations arising from these benefits.

3.4 Deleted

6.1

B. Address change

Dr. Patricia C. Donohue



MERCER COUNTY COMMUNITY COLLEGE
BOARD OF TRUSTEES

ATTEST:

Diane Badessa

William E. Coleman, Jr.
William E. Coleman, Jr., Chairperson

Date:

WITNESS:

Diane Badessa

Patricia C. Donohue
Dr. Patricia C. Donohue
Date: 10-14-10